

ELCON PRESS RELEASE

FOR RELEASE: May 30, 2013

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ELCON PRESSES FERC FOR ACTION ON LARGE COGENERATION UNITS

The Electricity Consumers Resource Council (ELCON) filed comments (Docket No. RM13-2-000) with the Federal Energy Regulatory Commission (FERC) supporting their Notice of Proposed Rulemaking (NOPR) for small cogeneration units (no more than 20 MW) and asking them to “promptly take further action to facilitate interconnection by CHP and similar larger units.”

ELCON President John Anderson explained that “In its NOPR on Small Generator Interconnection Procedures (SGIP), FERC is attempting to remove barriers facing smaller cogenerators in order to increase their CHP production. But about two-thirds of cogenerated power comes from facilities of greater than 100 MW. These larger units also face marketplace barriers, and we hope FERC will address those issues in the near future.”

ELCON’s filing noted that “FERC last revised the standard interconnection procedures and agreements for large generators in...2003.” The comments went on to say that “since then, there have been a number of developments in the regulatory landscape” and that “the time, expense and other barriers to interconnection have continued to result in significant queues for projects waiting approval.” The result has often been that those considering new or improved CHP projects have chosen “not to pursue interconnection approval.”

One of ELCON’s suggestions is for “FERC to initiate a Notice of Inquiry [NOI].” The purpose would be “to identify existing barriers to the development of large CHP projects.” As part of the NOI, ELCON urged FERC to hold a Technical Conference where “FERC could seek to identify solutions and policies as well as highlight barriers outside of its control that impede the goals of the President’s Executive Order to promote CHP projects.”

ELCON’s comments noted that “CHP is a proven and effective energy resource that can help address current and future energy needs by using commercially available, domestically produced technology. Policies to facilitate efficient interconnection are essential to realizing the potential contributions that CHP can make.”

“Increasing our CHP output is really a win-win situation,” said Anderson. “In some ways it is low-lying fruit, but increasing CHP, from large and small units, can have a dramatically positive impact on electricity generation in the United States.”

ELCON was joined in the comments by the American Chemistry Council (ACC), the American Forest & Paper Association (AF&PA), the American Iron and Steel Institute (AISI), the Council of Industrial Boiler Owners (CIBO), and the US Combined Heat and Power Association (CHPA),

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ELCON, established in 1976, is the national association of large industrial users of electricity from virtually every manufacturing sector. ELCON members, many of which cogenerate, seek a reliable supply of electricity at competitive prices and have long supported federal and state efforts to achieve that objective. More information about ELCON, including a copy of this filing, is available at ELCON’s website, www.elcon.org.